



SOVEREIGN™

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Fiscal Representation

What is a Fiscal Representative?

A Fiscal Representative acts as the interface between a non-resident individual or company and the Autoridade Tributária e Aduaneira (Finanças/Tax Department) on any tax matters relating to your property and/or to your individual taxes. Many lawyers are no longer willing to assume this role and prefer to recommend Sovereign because we are specialists in tax assistance and fiscal matters.

Who needs a Fiscal Representative?

Any non-resident individual or company, resident outside the EU, who owns property, holds a bank account or has any other commercial activity or interest in Portugal must by law appoint a Fiscal Representative that is registered with the Tax Department.

I have had my property for years, why do I now need a Fiscal Representative?

The Portuguese Government enacted legislation in respect of tax evasion and money laundering in 2002. As a consequence the tax departments have tightened up their systems to ensure compliance with the law which decrees that all non EU residents who own property or hold a bank account in Portugal must appoint a Fiscal Representative, resident in Portugal.

I have had a fiscal number for years and I do not have a Fiscal Representative. Is this a problem?

This could mean that you are wrongly registered at the Tax Department as being resident in Portugal for tax purposes. As such you may be liable to declare your worldwide income in Portugal and pay taxes here! Any Tax Department correspondence could also be sent to the wrong address. Sovereign is able to check your status and, if necessary, correct your registration.

Why do I have to pay a registration fee and in subsequent years an annual fee?

A registration fee is payable because, in order to obtain your fiscal number and register as your Fiscal Representative, we will need to attend the Tax Department and undertake substantial administrative work. You will not pay an annual fee in the year you register with Sovereign but in subsequent years we will charge an annual fee for ongoing fiscal representation.

Once Sovereign is registered as your Representative, we will become the first contact for the Tax Department in respect of your affairs and when we receive any correspondence we will contact you for instructions. Sovereign will remain registered as your Fiscal Representative until such time as you cancel us directly at the Tax Department by registering as a Portugal or EU resident, or by the appointment of an alternative Fiscal Representative.

What does the annual fee include?

Sovereign's fee gives you peace of mind that your fiscal affairs in Portugal are being dealt with correctly and in a timely manner. Our fee covers the responsibility of acting as your Fiscal Representative in Portugal and includes the receipt and forwarding of your Municipal Tax bills (IMI). Many simple queries can be answered without charge, but additional fees will be charged for any extra work requested by you, either on a time-spent basis or as shown in our Fee Schedule. You will also periodically receive an informative Newsletter highlighting any important tax changes.

What is not included in the annual fee?

Sovereign's annual fee does not include the payment of your taxes, submission of tax returns or for time spent on research or dealing with other entities if requested by you. You will be informed of any extra charges before any additional work is undertaken on your behalf.

What other work might arise for Sovereign?

Sovereign will handle all fiscal matters including Tax Department audits on the purchase or sale of properties, submission of tax returns, declaring rental income from your Portuguese property or assisting lawyers with property transfer tax (IMT). We will also assist with the provision of documentation for property sales, Tax Department property registration documents, payment of municipal taxes, advice on rateable property values, debts certificates, as well as corporate and individual accountancy services.

Why should I use Sovereign as my Fiscal Representative?

Sovereign has been advising resident and non-resident clients on all matters relating to property ownership in Portugal for many years. Sovereign first established an office in Portugal in 1999 specifically to offer tax advice to its clients. The large client base that we have developed includes both individuals and companies that are both resident and non-resident in Portugal.

With our full complement of qualified accountants and bilingual administrative staff, we are able to keep up to date with the ever-changing fiscal demands placed on property owners. Our regular contact with local Tax Departments and reputation for prompt, quality service has enabled us to establish good relationships with lawyers all over Portugal, who trust Sovereign to resolve fiscal matters for their clients. We ensure that confidentiality is applied to all our work and that our fees remain competitive.

As part of the worldwide Sovereign Group we are also able to offer consultancy on tax planning structures using companies and trusts.

Whatever the nature of your enquiry, contact Sovereign by telephone, fax or email. We will assist you to maximise the benefits and minimise the liabilities from your investment in Portugal.

General Enquiries

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